

SEC moves to detect illegal private placement business

STAR BUSINESS REPORT

The Securities and Exchange Commission (SEC) yesterday formed a committee to detect any irregularities in private placement business in the capital market.

The three-member committee was formed following arrest of two men, who were detained on Thursday last with alleged links with illegal trade through private placement.

The stockmarket regulator also asked the probe body, headed by the commission's Executive Director ATM Tariquzzaman, to submit its investigation report by August this year.

The two other members of the committee are: SEC Director Md Hasan Mahmud, and Assistant Director Mohammad Zahirul Haque.

"The SEC has formed the committee to investigate certain activities of those persons/organisations who are involved in unethical activities in the name of private placement of shares of different companies and persuading the investors/general public through fraudulent means and ideas," the SEC said in a posting on the DSE website.

Private placement is a way of raising funds from chosen or selected private investors without an initial public offering. In the Bangladesh's stockmarket, only an issue manager can sell shares under private placement on behalf of an issuer company.

Rapid Action Battalion (Rab) on Thursday arrested Nabiullah Nabi alias Shafiq Alam Nabi and Sattaruzzaman Shamim for their alleged link with illegal private placement business.

The two are officials of Green Bangla Group that the company's website says operates in stock brokerage.

But the company has no member registration on the website of Dhaka Stock Exchange (DSE). Green Bangla is not also licensed to do any merchant banking, stockbroker, and stock dealer activities, SEC officials said on Thursday.

Although Green Bangla is not authorised to sell shares under private placement, it had entered into contracts to sell shares of listed and non-listed companies through private placement, the SEC officials said.

A team of Rab-3 and SEC found that the accused made arrangements to sell shares of at least 13 companies through private placement to at least 100 individuals.



Standard Chartered Bank has recently entered into an agreement with Aarong to provide the bank's all new card and accountholders a one-off discount using specially designed First Usage Voucher at any Aarong outlet. Gitanka Datta, head of cards of StanChart, and Farzana Halim Hai, senior manager for marketing of Aarong, signed the deal.

Govt to set up 35 more training institutes for migrant workers

BSS, Dhaka

The government plans to set up 35 more training institutes in different parts of the country to meet the demand of skilled labourers in the global manpower market, said officials of the Bureau of Manpower Employment and Training (BMET).

The disclosure came at a seminar on -- Challenges in Boosting International Migration in Bangladesh -- at the BIDS conference room in the capital.

"Of the 35 new training institutes, 30 will be set up to provide workers with normal trade courses," Khurshed Alam Chowdhury, director general of BMET, told the news agency.

Bangladesh Institute of Development Studies (BIDS), a public research organisation, and Manusher Jonno Foundation, a non-governmental organisation, co-organised the seminar.

With BIDS Director General M Asaduzzaman in the chair, President of Bangladesh Association of International Recruiting Agencies (BAIRA) M Abul Bashar and Regional Programme Manager of International Organisation for Migration (IOM) Kriatina Mejo, also spoke.

Kazi Iqbal and Mohammad Yunus of the BIDS jointly presented a keynote paper at the seminar, highlighting the diverse challenges in the migration sector.

Khurshed Alam said the state-run BMET is capable to provide training to only 50,000 workers a year through its 38 training institutes, which is not adequate for the current demand.

"Under the plan of setting up training

institutes, international certification system would be introduced for the imparted trainings on diverse trades."

He said the BMET earlier suffered a huge blow due to lack of necessary training facilities and financial support, but this year the agency received Tk 25 crore for the purpose.

"It is really difficult to find out the exact demand for skilled, unskilled and semi skilled workforce."

Till now, the BMET does not have any research cell to carry out the studies.

The demand for labours has been reduced to a large extent in the international market, except for the skilled workforce, said Dr Asaduzzaman.

"But Bangladesh has no adequate training facilities to utilise this untapped potential."

"We have an inclusive plan to set up training institute at upzila level as per the demand of receiving countries," said Abul Bashar.

"Exploring new labour market destinations, matching the type of skill in demand in receiving countries, reducing migration costs and providing adequate assistance to migrant workers abroad when needed are the key challenges in labour migration from Bangladesh," said Kazi Iqbal.

The speakers suggested in expanding the migration sector, including increasing coordination among countries, security issues of female workers going abroad, formulation of a pragmatic migration policy, fixation of rational migration cost, strengthening Bangladesh missions abroad and activating Diaspora for strengthening social network abroad.

Hungary pledges more reforms after IMF, EU demands

AFP, Budapest

Hungary's government said Sunday it would plough on with deficit-slashing reforms demanded by the IMF and EU, and aimed to become Central Europe's most stable country "as quickly as possible".

This was after both bodies said after a mission to Budapest this month on financial aid that the country had to do more to reduce its public deficit.

"The Hungarian government will continue the policy of structural reform in the areas qualified most important by our partners such as the fiscal system, public health and public transport," Economy Minister Gyorgy Matolcsy said.

"The goal of the government is that Hungary becomes as quickly as possible one of the most competitive and stable countries in Central Europe," he said in a statement.

Negotiations with the European Union and International Monetary Fund would continue, he said.

The IMF head of mission in Hungary, Christoph Rosenberg, said Saturday the country had to make "difficult decisions" to cut its public deficit, in particular in slashing spending and restructuring public enterprises.

India's poor need bank accounts: minister

AFP, New Delhi

India's poor need bank accounts and access to the financial system to help to sustain the country's surging economic growth, Finance Minister Pranab Mukherjee said Monday.

Mukherjee challenged banks and other businesses such as mobile phone firms to come up with innovative systems that would allow the Congress-led government to attain its aim of bringing the poor into mainstream banking.

"Financial inclusion is a necessary part of our growth process," Mukherjee told a conference in the capital on "financial inclusion" of India's hundreds of millions of poor.

"The entire economic system in our country needs to work together on this," Mukherjee said.

Analysts say that access to financial services is vital to ensure that the poor can take advantage of India's robust economic growth -- the country posted 8.6 percent expansion in the last financial quarter.



Industries Minister Dilip Barua, second from left, attends a session of the two-day high-level forum on intellectual property at Sonargaon Hotel in Dhaka yesterday.

Use IP to facilitate development

LDC delegates tell high-profile forum

STAR BUSINESS REPORT

Policy makers of 15 least developed countries (LDCs) yesterday began discussions on how intellectual property (IP) could be used as a tool for economic development.

They urged the developed countries to help them reduce the knowledge gap by transferring technology and with research and development.

Ministers, members of parliament and senior government officials of the Asia-Pacific region made the observations at a two-day high-level forum at Sonargaon Hotel in Dhaka.

The forum addressed issues on how the LDCs can foster national development and productive integration in the global economy in line with the IP.

"IP is a tool for economic development. Also, technology is a useful tool," said Telefoni Misa, deputy prime minister of the Independent State of Samoa.

Yuke Chin Lee, IP consultant for

Malaysian Invention and Design Society, said every country has to adopt a national innovation agenda to encourage creativity.

Lee told the meeting that Malaysia launched a national innovation agenda in 2007.

Nuno Pires De Carvalho, acting director of IP and Competition Policy Division of World Intellectual Property Organisation, presented a paper outlining the benefits and challenges of IP.

He said IP is the branch of law that protects differentiating business assets. It encourages creativity and helps attract foreign direct investment, he added.

Dewan Zakir Hussain, secretary of the industries ministry, also spoke.

The world, particularly the LDCs, is facing fundamental challenges in dealing with IP systems. The knowledge gap and digital divide are the foremost challenges for them.

Many LDCs are yet to identify their

IP related needs as per an international requirement.

The LDCs are also lagging behind in new innovations, technologies, creativity, knowledge talent and management techniques that are a must to enhance productivity and competitiveness. IP related issues have also emerged as vital in the services sector.

Forum participants have discussed how they can use IP to contribute to a reduction of the knowledge gap and digital divide.

They felt the need for an access to scientific and technological information, to minimise the gap. Setting up IP institutions, more investment in research and development and technology transfer are also important to develop the capacity of the LDCs in this regard.

Earlier, Prime Minister Sheikh Hasina inaugurated the meeting, which will conclude today with some recommendations.

WIPO to help Bangladesh for intellectual property

UNB, Dhaka

World Intellectual Property Organisation (WIPO) will help Bangladesh host an international workshop on the intellectual property right to create mass awareness.

"If any organisation communicates with WIPO to organise an international workshop on intellectual property in this regard, WIPO will provide all-out support," said WIPO Director General Francis Gurry.

Gurry was speaking at a meeting with Health Minister Dr AFM Ruhul Haque at his office yesterday.

During the meeting, Haque informed the WIPO officials about the progress of the pharmaceutical industry that meets 97 percent of local demands.

Bangladesh organises such workshops to protect the patent right for medicine and pharmaceutical products. At present, Bangladesh exports medicine to around 72 countries.

The workshop will also help address the issues to protect the intellectual right in the fields of art, literature, education and science.



Director General of World Intellectual Property Organisation Francis Gurry meets Health Minister AFM Ruhul Haque at the minister's office in Dhaka yesterday.

Economists say US recovery continues, but pace slows

AP, New York

Economists say the US recovery continued during the second quarter of this year with more businesses hiring workers and fewer cutting jobs, but the pace of growth has slowed, a new survey shows.

The National Association for Business Economics said its latest survey, released Monday, found 31 percent of businesses added workers between April and June, the highest level in three years. And 39 percent of those surveyed say they expect to hire more workers over the next six months -- the most since January 2008. Manufacturers reported the strongest increase in demand and profitability. Finance, insurance and real estate sectors saw the slowest growth.

The number of respondents who think real gross domestic product (GDP) will expand by more than 3 percent this year slid to 20 percent from the 24 percent who expected that rate of growth in April. But sixty-seven percent of respon-

dents still believe the economy will expand by more than 2 percent in 2010.

"NABE's July 2010 Industry Survey confirms that the US recovery continued through the second quarter, although at a slower pace than earlier in the year," William Strauss, of the Federal Reserve Bank of Chicago, said in a statement.

"Industry demand increased for a fourth consecutive quarter, although at a slower pace. Price and cost pressures were contained, allowing profits to edge higher. Credit and debt issues in Europe will likely negatively impact just over a third of the surveyed firms over the next three months."

The number of companies reporting layoffs and job cuts through attrition is down by half from a year ago and about steady with the first quarter of this year, NABE found.

Meanwhile, the number of businesses hiring jumped to 31 percent from 6 percent at the same time last year, and is up from 22 percent of those surveyed at the end of the first quarter. Goods-

producing companies are doing most of the hiring, with only the services sector continuing to anticipate layoffs, the survey said.

The service sector remains a victim of weak consumer confidence. A volatile stock market, 9.5 percent unemployment rate, lackluster wage gains and a stalled housing market caused shoppers to clamp down on their spending in May and June. An economic report released Friday showed that consumer confidence fell in July to its lowest point in nearly a year.

Of the 84 NABE members from private sector and industry trade associations that responded to the latest survey, 52 percent said demand increased in the second quarter. Thirty-eight percent said it remained steady. Companies that raised prices outnumbered companies that cut them by three to one, which helped profit margins edge higher overall. However, that growth "slowed to a crawl," as materials costs continued to rise.



Shafiq Alam Mehdi, aviation and tourism secretary in charge, inaugurates a booth of Mutual Trust Bank at Hazrat Shahjalal International Airport in Dhaka yesterday. Samson H Chowdhury, chairman of the bank, is also seen.